



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	HB0115	Title:	Generally revise board of nursing laws
Primary Sponsor:	Funk, Moffie	Status:	As Amended in Senate Committee

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$43,651	\$35,584	\$35,831	\$36,081
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$48,375	\$48,375	\$48,375	\$48,375
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: The fiscal impact of this legislation to the Board of Nursing would be to update rules to include Medication Aides under the board's impaired practitioner program. The Department of Justice would need to add 0.25 FTE who would be dedicated to processing state/federal background checks for new nursing license applicants.

FISCAL ANALYSIS

Assumptions:

Department of Labor and Industry - Board of Nursing

- The board will require all licensing applicants to submit to fingerprint and background checks through the Department of Justice as part of the application process for licensure in Montana. Applicants will be responsible to cover the associated fees which will be paid directly to the Department of Justice.
- The Board of Nursing provides a medical assistance program to licensed nurses with impairment issues. This legislation directs the board to include all licensees. At present, the only non-nursing licensees the board has jurisdiction over, are Medication Aides. There will be an expense to the board to write and adopt rules to include the current 72 medication aides and any future license types.

3. It is assumed there will be a four page rule notice and two page adoption notice at \$300 (\$50 per page x six pages), payable to the Secretary of State for printing and publication.
4. There will be a two hour rule hearing for public participation and comments, with a hearing officer presiding and a court reporter to transcribe comments at a cost of \$440. Notice will be sent to interested parties by post card to direct them to the board's website to view the proposed rule changes. The cost is estimated at \$127.
5. Additional legal time will be required for review of the rule package, to assist the board in addressing comments, and in preparing the adoption notice. The estimated cost is \$3,800.
6. The total expense for the revised legislation is \$4,667.

Department of Justice – Division of Criminal Investigation

7. The Montana Board of Nursing estimated that 1,500 state/federal fingerprint-based background checks will be conducted each year, commencing as soon as the legislation would go into effect. (See Technical Note 1 regarding the estimate.) These background checks would be additional work volume for the Criminal Record and Identification Services Section of the Department of Justice (DOJ). The Division of Criminal Investigations anticipates needing a 0.25 FTE fingerprint technician for these additional duties which will occur in the fall each year. The salary and benefits cost is anticipated to be \$15,459 in FY 2016.
8. One-time-only costs for a new employee office package, a laptop, dedicated printer and software would add an additional \$4,400 in FY 2016. Phone and network expenses are anticipated to be \$1,000 annually.
9. A 1.5% inflation factor is applied to FY 2018 and FY 2019 personal services costs.
10. Only nursing license applicants would be required to undergo these background checks. Nurses who currently have licenses will not be required to undergo these background checks.
11. The Federal Bureau of Investigation currently charges \$12.75 per federal background check. Additional expenditures at the current rate would be \$19,125 (1,500 x \$12.75).
12. The federal fingerprint-based background check and the fingerprinting fee currently charged by DOJ are assumed for this revenue estimate.

HB 115 requirement	Fee	Applicants	Total
Fingerprinting Service	\$ 5.00	1,500	\$ 7,500
Federal Fingerprint-Based Check	\$27.25	1,500	\$ 40,875
Total estimated fees to be collected annually			\$ 48,375

	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.25	0.25	0.25	0.25
<u>Expenditures:</u>				
Personal Services (DOJ)	\$15,459	\$15,459	\$15,691	\$15,926
Operating Expenses (DOJ)	\$23,525	\$20,125	\$20,125	\$20,125
Operating Expenses (DLI)	\$4,667	\$0	\$0	\$0
TOTAL Expenditures	\$43,651	\$35,584	\$35,816	\$36,051
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$43,651	\$35,584	\$35,831	\$36,081
TOTAL Funding of Exp.	\$43,651	\$35,584	\$35,831	\$36,081
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$48,375	\$48,375	\$48,375	\$48,375
TOTAL Revenues	\$48,375	\$48,375	\$48,375	\$48,375
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$4,724	\$12,791	\$12,544	\$12,294

Technical Notes:

1. In the time frame since HB 115 was introduced, HB 147, the Nurse Licensure Compact, has passed and approved. Prior to the passage of the compact, the Montana Board of Nursing received on average 2,450 applications per year for new licenses both from in state, and out of state, applicants. The board's Executive Officer estimates that with the passage of the compact, new license applications to Montana will average 1,500 per year. This number was arrived at by reviewing the number of applications over the past three years that were from states that are currently in the Nurse Licensure Compact. The compact requires nurses to be licensed in their home state of residence. If their home state is part of the compact, they will be able to practice in any compact state without applying for additional compact state licenses. This change will reduce the number of applications Montana will receive from out of state nurses who intend to practice here but will not reside here.

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date